

Consignment Agreement

The University of Iowa Hospitals and Clinics (UIHC) will enter into a Vendor-Owned Inventory (Consignment) Agreement in which the UIHC sets forth the terms and conditions under which products will be consigned to the UIHC.

A. Initial Consignment Inventory

Vendor agrees to provide to UIHC consignment inventory consisting of the products listed on the UIHC Consignment Agreement. The consignment inventory is placed by the vendor at no charge to UIHC, and is provided solely for UIHC's internal use. Vendor will not share previously-assigned consignment inventory with another institution without UIHC's prior written approval. Written approval will come from the UIHC Procurement and Value Implementation (PVI) Services Department. Exceptions may be made for emergencies with the Area Charge Nurse.

B. Consignment Inventory Levels

Consignment inventory will be limited to a mutually acceptable level between supplier representative and the UIHC PVI Services Department based on current usage of similar products. UIHC will enter into firm contract for pricing of all agreed-upon consignment items prior to placing them (see paragraph J). A vendor may not use UIHC as a storage facility for excess inventory that is not officially consigned for UIHC usage. In addition, Vendor's sales representative will assist UIHC in determining appropriate stock levels and suggest methods for product control.

C. Reductions in Consignment Inventory Levels

Regular monitoring of consigned items is important. If an item is not utilized within a reasonable period, the need for that item to be consigned will be reassessed.

Vendor retains the right to have an item removed from the inventory upon their discretion after providing UIHC with a 60-day notice.

D. Return of Inventory

UIHC can, at any time, return unused or expired items from consignment inventory to vendor. "Unused" is defined as any unopened package in saleable condition. For sterile products, "Unused" is additionally defined as product whose sterility has not been compromised.

E. Inventory Replacements

UIHC will provide the vendor with a Purchase Order to replenish a consigned product that has been used. UIHC will include model and serial number of used product if required. Replenished consignment items assigned to UIHC are to be accompanied by an updated list with model and serial numbers, expiration date, and size or any other item-specific information. All inventory replacements will be provided to UIHC via next-day air delivery at no additional cost to UIHC.

F. Ownership and Inspection

UIHC recognizes that consignment inventory is the property of the vendor until it is opened, used, lost, or damaged, at which time the products become the property of UIHC. Vendor retains the right to conduct verbal, written, or physical inventory cycle counts. UIHC is responsible for assuring that product which is beyond its stated expiration date is not used in patients and is promptly returned to Vendor. With reasonable notice, UIHC agrees to give Vendor representative(s) escorted access to its inventory to conduct such inspections of consignment inventory levels, and to verify the quantity and condition of the consignment inventory.

G. Modifications to Consignment Inventory

A new approval and inspection will be required when product is added, subtracted, or traded out of UIHC consignment inventory. Substantial changes to products (e.g., changes in the product itself, packaging, pricing, catalog number) will require approval from UIHC PVI Services prior to its addition to the consignment inventory.

H. Discrepancy Resolution

If there is a discrepancy between product listed on the most current inspection report and actual product in UIHC consignment inventory, the UIHC department manager and a Procurement and Value Implementation (PVI) Services staff member will work with Vendor to resolve.

I. Product Recalls

Vendor shall notify UIHC PVI Services Department per FDA guidelines of any product recall or alert, voluntary or otherwise. Vendor agrees to respond to a UIHC-generated recall, alert or defect report.

J. Pricing and Shipping Terms, and Conditions

All shipping and pricing terms and conditions are subject to UI contract number X-XXXX.

Fill in Consigned Item list below or attach separate list.

UIHC Item #	MFR Item#	Quantity	Notes

Supplier/Distributor

UI Purchasing Department

Signature

Signature

Name

Name

Title

Title

Date

Date